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*Attorneys for Debtor Perseon Corporation  
and Proposed Attorneys for Debtor in Possession*

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**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

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In re:

PERSEON CORPORATION,

Debtor.

Case No. 16-24435

Chapter 11

Judge R. Kimball Mosier

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**SECOND SUPPLEMENTAL DECLARATION OF STEVEN T. WATERMAN IN  
SUPPORT OF APPLICATION OF THE DEBTOR FOR ENTRY OF AN ORDER  
AUTHORIZING THE RETENTION AND EMPLOYMENT OF DORSEY & WHITNEY  
LLP AS COUNSEL FOR THE DEBTOR**

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I, Steven T. Waterman, being of lawful age, declare, certify, verify and state under penalty of perjury as follows:

1. I am a partner in the law firm of Dorsey & Whitney LLP, with a Salt Lake City office ("Dorsey"), and I am an attorney licensed to practice law in Utah, including in all federal courts within Utah, as well as in other courts and jurisdictions.

2. This Second Supplemental Declaration is made pursuant to 11 U.S.C. §§ 327 and 328 and Rule 2014 of the Federal Rules of Bankruptcy Procedure in support of the *Application of the Debtor for Entry of an Order Authorizing the Retention and Employment of Dorsey & Whitney LLP, as Counsel for the Debtor* [Docket No. 14] (the “Application”) filed by Perseon Corporation (the “Debtor” or “Perseon”).

3. I am authorized by Dorsey to make this Declaration, and I have personal knowledge of the facts stated in this Declaration. If called as a witness, I could and would testify competently to these facts, except where matters are stated on information and belief. As to those facts, I am informed and believe that they are true and correct.

4. This declaration supplements the prior declarations submitted.

5. After the hearing before this Court on July 19, 2016, I have conferred with representatives of the management and board of directors of Perseon Corporation to determine the desires and best interests of the Debtor in Possession.

6. The Debtor and Debtor in Possession have expressed that it desires for Dorsey & Whitney to represent the interests of the Debtor in Possession and has asked that Dorsey consider disgorging an additional \$15,558.77, representing the payment on the February 11, 2016 invoices, by adding \$15,558.77 to the amount of Dorsey’s retainer in this bankruptcy case and to forego any unsecured claim relating to that sum.

7. Dorsey will disgorge the \$15,558.77 payment in addition to the previously stated amount of \$12,301.21 by adding those sums to the amount of Dorsey’s retainer in this bankruptcy case and waiving any unsecured claim as to those sums.

8. The March 9, 2016 invoices in the sum of \$22,508.84 were paid by the Debtor on March 31, 2016.

9. The term on the March 9, 2016 invoices was thirty days and they were paid within 22 days.

10. The Debtor and Dorsey believe that the March 9, 2016 invoices were timely paid as intended for substantially contemporaneous work.

11. Of the total amount the March invoices of \$22,508.84, the largest invoice amount (\$14,363.40) related to the Schwartz litigation for which the Debtor seeks reimbursement from its insurance carrier.

12. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States that the foregoing statements are true and correct to the best of current information, knowledge and belief.

Dated this 22nd day of July, 2016.

/s/ Steven T. Waterman

Steven T. Waterman